

STATE OF CALIFORNIA
CALIFORNIA ENERGY COMMISSION

Business Meeting Minutes

of

September 3, 2003

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The meeting was called to order by Chairman Keese at 10:06 a.m.

The Pledge of Allegiance was led by Commissioner Rosenfeld.

William J. Keese	Present
Robert Pernell	Present
Arthur Rosenfeld	Present
James D. Boyd	Present
John L. Geesman	Present
Margaret Kim, Ex-Officio	Absent

1. CLAREMONT GRADUATE UNIVERSITY. Possible approval of a \$91,067 Energy Conservation Assistance Act Account loan to Claremont Graduate University to install energy efficient lighting and controls in their facilities. This project is estimated to save about \$24,400 annually in reduced energy cost and has a simple payback of 3.7 years.

Commissioner Pernell moved and Commissioner Rosenfeld seconded approval of the \$91,067 Energy Conservation Assistance Act Account loan to Claremont Graduate University to install energy efficient lighting and controls in their facilities. The vote was unanimous. (5-0)

2. CITY OF SANTA ROSA. Possible approval of a \$488,000 Energy Conservation Assistance Act Account loan (Bond funds) to the City of Santa Rosa to retrofit and modify two pump stations at the Laguna Wastewater Treatment plant. These changes will reduce the peak electrical demand by 214 kW and annual electrical energy consumption by 390,000 kWh. This project is estimated to save about \$70,600 annually in reduced energy cost and has a simple payback of 6.9 years.

Commissioner Pernell moved and Commissioner Rosenfeld seconded approval of the \$488,000 Energy Conservation Assistance Act Account loan (Bond funds) to the City of Santa Rosa to retrofit and modify two pump stations at the Laguna Wastewater Treatment plant. The vote was unanimous. (5-0)

3. CALIFORNIA DEPARTMENT OF MENTAL HEALTH. Possible approval of a \$1,800,000 Energy Conservation Assistance Act Account loan (Bond funds) to the California Department of Mental Health to install premium efficiency motor on a chilled water pump, and an Energy Management System (EMS) at the Patton State Hospital. This project is estimated to save about \$180,000 annually in reduced energy cost and has a simple payback of 10 years.

Commissioner Pernell moved and Commissioner Rosenfeld seconded approval of the \$1,800,000 Energy Conservation Assistance Act Account loan (Bond funds) to the California Department of Mental Health to install premium efficiency motor on a chilled water pump, and an Energy Management System (EMS) at the Patton State Hospital. The vote was unanimous. (5-0)

4. CITY AND COUNTY OF SAN FRANCISCO. Possible approval of a \$2,500,000 Energy Conservation Assistance Act Account loan (Bond funds) to the City and County of San Francisco to install a 250 kW photovoltaic system and a motor efficiency project at the Southeast Water Treatment plant. This project has a simple payback of 8.2 years.

Commissioner Pernell moved and Commissioner Rosenfeld seconded approval of the \$2,500,000 Energy Conservation Assistance Act Account loan (Bond funds) to the City and County of San Francisco to install a 250 kW photovoltaic system and a motor efficiency project at the Southeast Water Treatment plant. The vote was unanimous. (5-0)

5. CITY AND COUNTY OF SAN FRANCISCO. Possible approval of a \$2,739,603 Energy Conservation Assistance Act Account loan (Bond funds) to the City and County of San Francisco to replace their boilers, chillers and energy management system with new systems as well as keep existing steam turbines with emergency diesel generators. This project will save approximately \$544,000 annually in reduced energy cost and has a simple payback of approximately 5 years.

Commissioner Pernell moved and Commissioner Rosenfeld seconded approval of the \$2,739,603 Energy Conservation Assistance Act Account loan (Bond funds) to the City and County of San Francisco to replace their boilers, chillers and energy management system with new systems as well as keep existing steam turbines with emergency diesel generators. The vote was unanimous. (5-0)

6. NEO MONTAUK GENCO MANAGEMENT, LLC. Possible approval of the following funding award agreements under the New Renewable Resources Account:
- a. NEO Montauk Genco Management, LLC, Colton Landfill Gas Project, 2.5 MW, conditional funding award \$300,809.09, on-line date 4-18-03;
 - b. NEO Montauk Genco Management, LLC, Mid-Valley Landfill Gas Project, 3.8 MW, conditional funding award \$601,618.19, on-line date 4-18-03;
 - c. NEO Montauk Genco Management, LLC, Milliken Landfill Gas Project, 5.0 MW, conditional funding award \$601,618.19, on-line date 7-18-03.

This item has been moved to a future Business Meeting.

7. HIGH WINDS, LLC. Possible approval of a \$4,446,000 conditional funding award agreement under the New Renewable Resources Account to High Winds, LLC, Phase 1 Wind Project. This 70.2 MW project came on-line June 30, 2003.

Commissioner Geesman moved and Commissioner Boyd seconded approval of the \$4,446,000 conditional funding award agreement under the New Renewable Resources Account to High Winds, LLC, Phase 1 Wind Project. The vote was unanimous. (5-0)

8. GOVERNOR'S OFFICE OF PLANNING AND RESEARCH. Possible approval of \$45,000 to renew an Inter-Agency Agreement with the Governor's Office of Planning and Research to provide writing and research services to the Energy Commission on the state's future energy-related issues.

Commissioner Geesman moved and Commissioner Pernell seconded approval of the \$45,000 to renew an Inter-Agency Agreement with the Governor's Office of Planning and Research to provide writing and research services to the Energy Commission on the state's future energy-related issues. The vote was unanimous. (5-0)

9. CALIFORNIA ELECTRICITY OVERSIGHT BOARD (EOB). Possible approval of an amendment to Contract 200-99-006 to 1) augment the existing budget by \$200,000; 2) extend the contract end term to March 31, 2005; 3) clarify that effective July 1, 2003, the Energy Commission will no longer be responsible for EOB's Contracting Services, Accounting, Personnel or Information Technology support; and 4) effective October 1, 2003, the Energy Commission will no longer be responsible for EOB's Budgeting or Business Services. EOB has negotiated with the Department of General Services to provide these services after the specified dates above.

Commissioner Boyd moved and Commissioner Geesman seconded approval of the amendment to Contract 200-99-006. The vote was unanimous. (5-0)

10. CALIFORNIA DEPARTMENT OF FORESTRY (CDF). Possible approval of an Inter-Agency Agreement R500-03-007 for \$49,980 with the CDF to repay the Public Interest Energy Research (PIER) for performing a second case study in conjunction with CDF's on-going project to classify, quantify, and measure carbon levels in California.

Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of the \$45,000 to renew an Inter-Agency Agreement with the Governor's Office of Planning and Research to provide writing and research services to the Energy Commission on the state's future energy-related issues. The vote was unanimous. (5-0)

9. Minutes

Commissioner Rosenfeld moved and Commissioner Pernell seconded the approval of the August 20, 2003 Business Meeting minutes. The vote was unanimous. (5-0)

10. Commission Committee and Oversight

Commissioner Rosenfeld reported on discussions with CPUC Commissioner Kennedy regarding efficiency programs administered by the utilities and plans for a joint CPUC/CEC workshop on how to expand and improve those programs.

11. Chief Counsel's Report

Bill Chamberlain reported that his filing for a rehearing of litigation on the Blythe project has been denied by the Court of Appeal; however, the Court modified its opinion as the Energy Commission requested. He also requested a quick closed session to discuss complaints by William Powers, an intervener on the Palomar Energy Project.

12. Executive Director's Report

Bob Therkelsen reported on a letter from the Department of Finance regarding 12 percent proposed funding cut by the administration. At this time, the Energy Commission will not eliminate staff, but instead will lose contract employees, some operating expenses, and vacant positions.

13. Public Adviser's Report

No report was given.

14. Public Comment

No comments were received.

The meeting was adjourned at 10:40 a.m.

BETTY A. McCANN
Secretary to the Commission